REMARKS

The Applicants respectfully request reconsideration of the present application in view of the foregoing amendments and the following remarks. Upon entry of the present amendment, claims 1-5, 7-12, 14-33 and 68-76 are pending. No claims have been allowed. Claims 1, 22, 28 and 68 are independent.

Restriction Requirement and Election

In the Office action, the Examiner reiterates a 5-way restriction requirement, separating claims 1-67 into five groups. Office action, pages 2-3. Previously, the Applicants elected the claims of group I (claims 1-33) without traverse, but disputed the separation of the claims of group II (claims 34-41) from the claims of group III (claims 42-50), and disputed the separation of the claims of group IV (claims 51-59) from the claims of group V (claims 60-67).

The Applicants hereby confirm the previous election of the claims of Group I without traverse. The Applicants have canceled claims 34-67, rendering moot the restriction of these claims into separate four groups.

Rejections under 35 U.S.C. § 101 and 35 U.S.C. § 112, ¶1

In the Office action, the Examiner rejects claims 1-5 under 35 U.S.C. § 101 as allegedly being inoperative and therefore lacking utility, and also rejects claims 1-5 under 35 U.S.C. § 112, ¶ 1 as allegedly not being enabled. Office action, pages 4-5. The Applicants respectfully disagree but have amended claim 1 to expedite prosecution.

The Examiner writes, "[d]ependent claims 6 and 13, and independent claims 22 and 28, which limit the number of layers to two, and all dependent claims therefrom, are considered credible." Office action, page 5.

The Applicants have moved language from dependent claim 6 into claim 1, changed "multi-layer" to "two-layer" in claim 1, and canceled claim 6 without prejudice. The Applicants have rewritten dependent claim 13 in independent form as claim 68, changed "multi-layer" to "two-layer" in the claim, and canceled claim 13. The Applicants have amended dependent claims 7-12 and 14-19 for the sake of consistency with these changes.

Request for Information About WMV9

The Examiner requests additional information about "the most recent Decoding Specification for Windows Media Video V9 as of 04 September 2002. It will be assumed that revision 87e, incorporated in Provisional Application 60/501,081, is substantially similar." Office action, page 8. The Examiner's assumption is incorrect. U.S. Provisional Application 60/501,081 ("VC-1 provisional") includes many sections with no counterpart functionality in the WMV9 beta release of September 4, 2002. In particular, sections in the VC-1 provisional describe new bitstream syntax and decoding semantics for interlaced fields (e.g., interlaced I-fields, interlaced P-fields, interlaced B-fields) and interlaced frames (e.g., interlaced I-frames, interlaced P-frames, interlaced B-frames), as well as new "advanced profile" features for all types of pictures, that had no counterpart functionality in the WMV9 beta release of September 4, 2002.

With a declaration from Thomas Holcomb, the Applicants attach as Exhibit A a version of the decoding specification for WMV9 that Applicants understand to be "the most recent Decoding Specification for Windows Media Video V9 as of 04 September 2002." The Applicants understand this material to satisfy the Examiner's requirement for information.

The Applicants further note that U.S. Provisional Application No. 60/488,710 ("WMV9 provisional") includes an appendix with a specification for WMV9, revision 87:

> The attached appendix shows and describes a bitstream syntax and semantics for a compound implementation of various different video encoding and decoding techniques. The appendix also describes the process of decoding the bitstream, and gives an overview of the encoding algorithm, according to the compound implementation. Collectively, the compound implementation defines the Microsoft WMV9 format.

WMV9 provisional, page 8. The Applicants note that the WMV9 provisional was cited on page 3 of the Information Disclosure Statement filed October 18, 2005.

Rejections of Claims 1-33 Under 35 U.S.C. § 102(b)

The Examiner rejects claims 1-33 under 35 U.S.C. § 102(b) as being unpatentable over "a public use or sale of the invention." Office action, pages 5-7. The Applicants respectfully disagree. The Examiner cites the following materials:

(1)   a press release dated September 4, 2002, entitled "Microsoft Debuts New Windows Media Player 9 Series" ("WMV9 beta press release"); and

(2)   U.S. Provisional Application No. 60/501,081, filed September 7, 2003 ("VC-1 provisional").

WMV9 beta press release. The WMV9 beta press release describes the "immediate beta availability of the new Windows Media™ Player 9 Series." The WMV9 beta did not include features described in many sections of the VC-1 provisional. In particular, it did not include the features of "two-layer run-level decoding" described in the VC-1 provisional.

VC-1 provisional. As the Examiner has recognized, the present application claims the benefit of the VC-1 provisional. Office action, page 2. The VC-1 provisional includes appendices with specifications for the simple and advanced profiles of WMV9:

The attached Appendices A and B show and describe bitstream syntaxes and semantics for compound implementations of various different video encoding and decoding techniques. Appendices A and B also describe the processes of decoding the bitstream, and give an overview of the encoding algorithms, according to the compound implementations. Collectively, the compound implementations define Microsoft Media Video version 9 formats for simple and advanced profiles, respectively.

The Examiner incorrectly assumes that the WMV9 beta released September 4, 2002, included all subject matter described in the VC-1 provisional. As explained in the previous section, the VC-1 provisional describes new bitstream syntax and decoding semantics for interlaced fields (e.g., interlaced I-fields, interlaced P-fields, interlaced B-fields) and interlaced frames (e.g., interlaced I-frames, interlaced P-frames, interlaced B-frames), as well as new "advanced profile" features for all types of pictures, that had no counterpart functionality in the

WMV9 beta release of September 4, 2002. The beta released September 4, 2002, did not include the "two-layer run-level decoding" functionality described in the VC-1 provisional. *See* Exhibit A of the Declaration of Thomas Holcomb. The Applicants respectfully request withdrawal of the rejections of claims 1-33.

Conclusion

Claims 1-5, 7-12, 14-33 and 68-76 should be allowable. Such action is respectfully requested. The Examiner is invited to call the undersigned attorney at the telephone number below if the Examiner believes that doing so would further the prosecution of the present application.

Respectfully submitted,

KLARQUIST SPARKMAN, LLP

One World Trade Center, Suite 1600
121 S.W. Salmon Street
Portland, Oregon 97204   By _____
Telephone: (503) 595-5300   Kyle B. Rinehart
Facsimile: (503) 595-5301   Registration No. 47,027